

Burleigh Heads Market Update 2nd Half 2022



OVERVIEW

In Q2 2022, Burleigh Heads* recorded a median house price of \$1,380,000, and a median unit price of \$820,000. This represents annual (Q2 2021 – Q2 2022) median price growth of 16.2% for houses and 17.6% for units. Total sales decreased between Q2 2021 – Q2 2022, by -31.0% (to 171 sales) for houses and by -41.7% (to 201 sales) for units. The Burleigh Heads* market is still undersupplied, as price growth is alongside lower sales volume. Now is an ideal time for owners and downsizers to capitalise on their investments. The demand and supply imbalance can create a buffer against rising cash rates.

	CHANGE FROM LAST	YEAR	HALF YEAR
	House Sales	↓	↓
	House Median Price	↑	↓
	House Rental Price	↑	↑
	Unit Sales	↓	↓
	Unit Median Price	↑	↑
	Unit Rental Price	↑	↑

MARKET CONDITIONS

SALES MEDIAN PRICE
Q2 2022



SALES AVERAGE DAYS ON
MARKET Q2 2022



RENTAL MEDIAN PRICE
Q2 2022

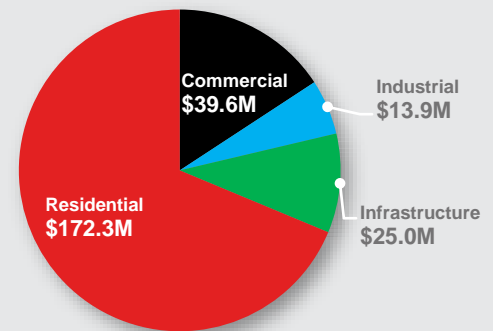


RENTAL AVERAGE DAYS ON
MARKET Q2 2022



FUTURE DEVELOPMENTS

Burleigh Heads is set to see approximately **\$250.8M** worth of new projects commencing in the 2nd half of 2022.



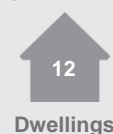
A focus on residential properties will assist in addressing the current undersupply in Burleigh Heads*. This will create a greater balance of supply and demand, which can benefit buyers.

A key commercial project in the 2nd half of 2022 is Treetops Shopping Centre redevelopment (\$18.0M). This will add 3,894sqm of retail space and 751 car parks. A key infrastructure project is Gold Coast Oceanway Widening (\$11.5M)

Residential projects include:

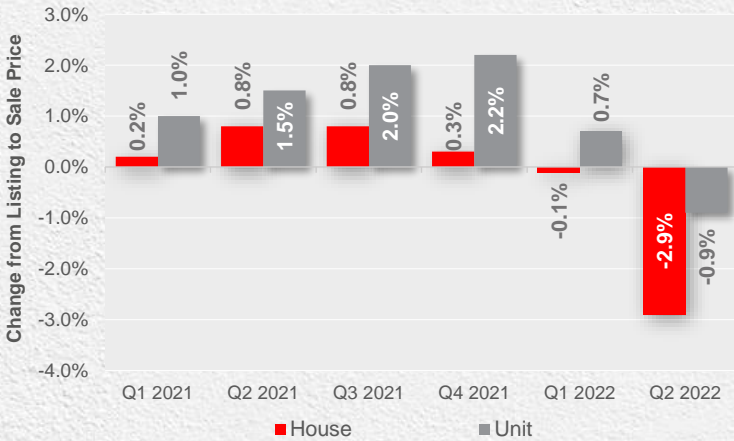
- Northshore Palm Beach (\$50.0M, 93 units)
- Alba Apartments (\$40.0M, 30 Units)
- Gold Coast Highway Apartments (\$12.0M, 8 units)

Supply of ready-to-sell stand-alone houses and townhouses continue to remain low, which creates a buffer to higher cash rates.



AVERAGE VENDOR DISCOUNT* KEY COMMENTS

Average vendor discount reflects the average percentage difference between the first list price and final sold price. A lower percentage difference (closer to 0.0%) suggests that buyers are willing to purchase close to the first asking price of a property.

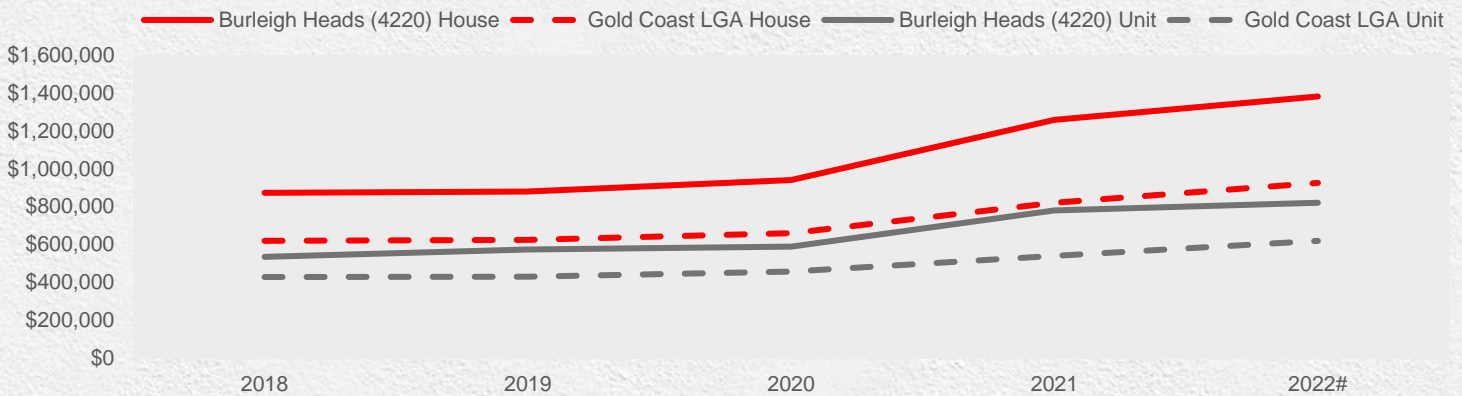


Average vendor discounts between Q2 2021 and Q2 2022 have rapidly shifted for both property types, to discounts of -2.9% for houses and -0.9% for units. Market conditions in Burleigh Heads* have seen a major shift in Q2 2022, as it is the first time in 6 quarters that a discount is recorded. This suggests vendors are willing to accept offers below the initial listing price.

The suburb of Burleigh Heads* has historically outperformed the wider Gold Coast Local Government Area (LGA) in both house and unit median prices. This continued to be the case in 2022#, however more so for houses than units.

The dominant proportion of homes sold in Burleigh Heads* across 2022# were in the premium price bracket of above \$1,250,000 (56.4%). Units also recorded a dominant premium price point of above \$800,000 (45.2%). Affordable options are scarce, however have started to return in the form of a higher percentage in the middle-priced bracket.

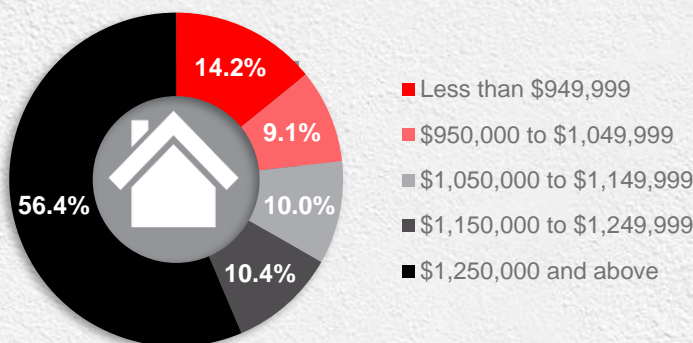
MARKET COMPARISON



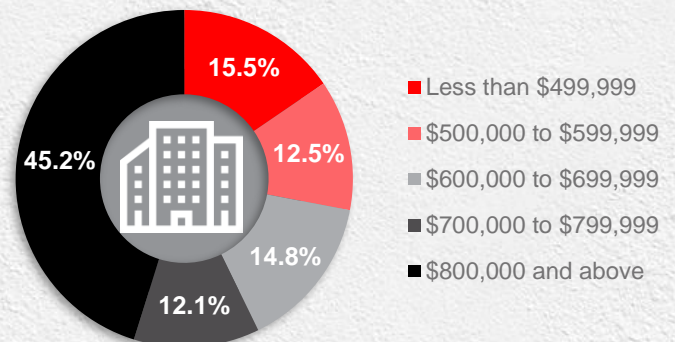
The market comparison graph provides a comparative trend for the median price of houses and units over the past 5 years. The main LGA profiled was chosen based on their proximity to the main suburb analysed, which is Burleigh Heads.

PRICE BREAKDOWN 2022#

HOUSES SOLD



UNITS SOLD

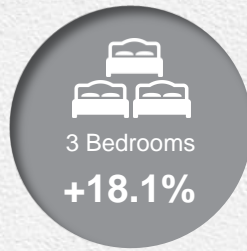


RENTAL GROWTH 2022€

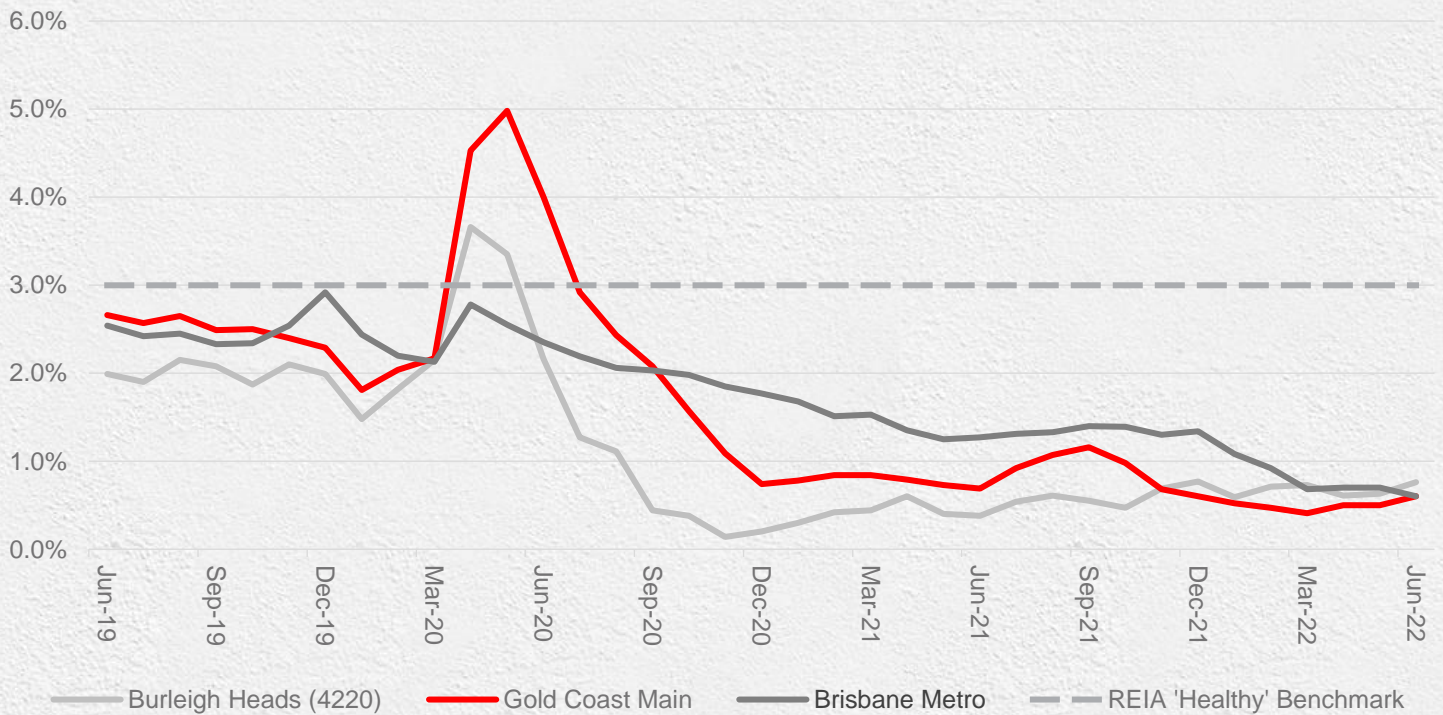
House rental yields in Burleigh Heads* sat at 3.9% in June 2022. This was paired with a 20.3% median house rental price increase in the 12 months to Q2 2022, and a 4.7% increase in the number of houses rented during the same time frame. The average days on market have increased slightly, but remained at a low 22 days.

4+ bedroom houses have provided investors with +33.3% rental growth annually, with a median rent of \$1,200 per week.

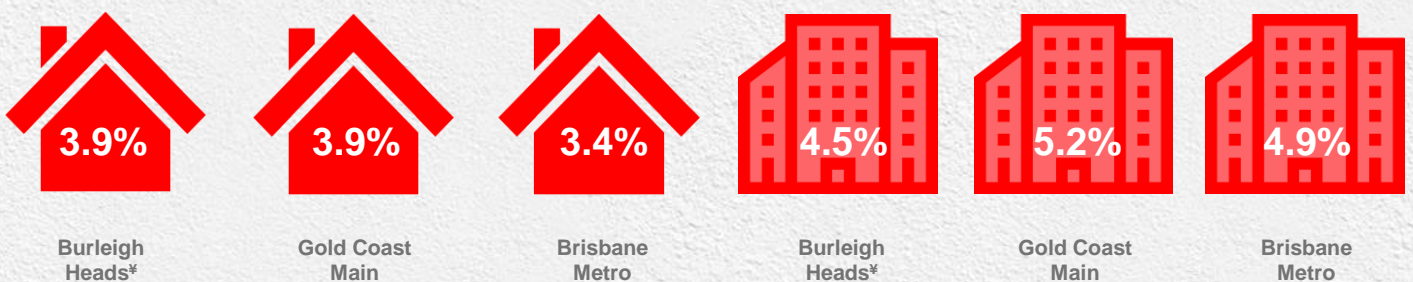
Burleigh Heads* recorded a vacancy rate of 0.8% in June 2022, which is slightly above Gold Coast and Brisbane Metro's 0.6% average. Vacancy rates in Burleigh Heads* have decreased over the past 24 months, indicating an increase in its rental demand. It has remained within the 1.0% mark for the past 18 months, indicating stability for rental income cash flow. Combined, these key indicators suggest a conducive and sustainable environment for investors, despite the increase in median sale prices of property over the past 12 months.



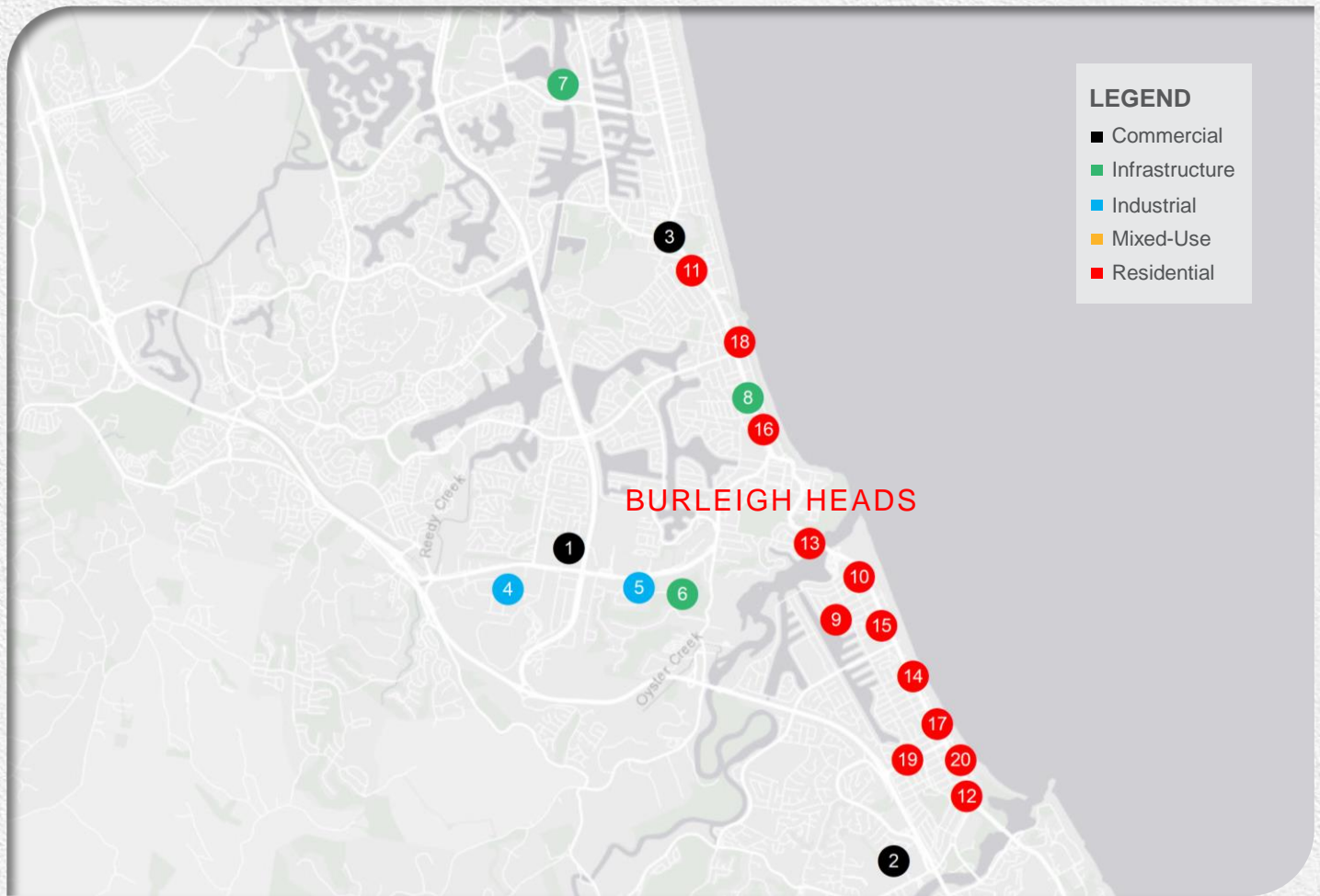
RENTAL VACANCY RATES 2022



RENTAL YIELD 2022\$



TOP DEVELOPMENTS MAP 2nd HALF 2022^A



Location	Project [£]	Type	Estimated Value ^µ	Commence Date ^ψ
1	Treetops Shopping Centre Redevelopment Burleigh Waters Stage 1	Commercial	\$18,000,000	14/08/2022
2	Pine Lake Retirement Village	Commercial	\$15,000,000	18/08/2022
3	2158-2164 Gold Coast Highway Commercial & Community Development	Commercial	\$4,800,000	24/11/2022
4	The Depot Burleigh	Industrial	\$4,500,000	29/11/2022
5	Leda Drive Industrial Development	Industrial	\$4,000,000	25/07/2022
6	Gold Coast Oceanway Widening	Infrastructure	\$11,500,000	06/10/2022
7	Miami State High School Indoor Sports Centre & Hall	Infrastructure	\$8,500,000	10/10/2022
8	Burleigh-deodar Drive Stormwater Drainage Works	Infrastructure	\$5,000,000	26/10/2022
9	Northshore Palm Beach (93 Units, 4 Dwellings)	Residential	\$50,000,000	05/09/2022
10	Nyrang Avenue Units (12 Units)	Residential	\$4,000,000	03/08/2022
11	2100-2102 Gold Coast Highway Units (14 Units)	Residential	\$4,500,000	02/11/2022
12	Molucca Avenue Units (8 Units)	Residential	\$4,500,000	07/11/2022
13	Awoonga Avenue Apartments (4 Units)	Residential	\$4,500,000	17/08/2022
14	234-236 Jefferson Lane Apartments (16 Units)	Residential	\$7,800,000	07/12/2022
15	Salt Apartments Palm Beach (23 Units)	Residential	\$9,500,000	24/10/2022
16	The Esplanade Units – Sea (30 Units)	Residential	\$10,000,000	06/10/2022
17	Gold Coast Highway Apartments (8 Units)	Residential	\$12,000,000	28/11/2022
18	Alba Apartments (30 Units)	Residential	\$40,000,000	01/08/2022
19	Akuna (13 Units)	Residential	\$6,000,000	28/10/2022
20	Jefferson Lane Apartments (4 Units)	Residential	\$4,000,000	28/11/2022



OUR SERVICES INCLUDE

- Advisory and consultancy
- Market analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market analysis
- Geographic information mapping
- Project analysis including product and pricing recommendations
- Rental and investment return analysis

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customised products.



John Fischer

Principal / Specialist
+61 478 071 623

john@prdburleighheads.com.au



Adam Van Leeuwen

Director / Sales Specialist
+61 481 271 806

adam@prdburleighheads.com.au



Braiden Smith

Director / Sales Specialist
+61 413 203 626

braiden@prdburleighheads.com.au



PRD Burleigh Heads

P +61 7 5535 4544

F +61 7 5576 1382

PRD.com.au/burleighheads

14 The Esplanade,
Burleigh Heads QLD 4220

REFERENCES

* Burleigh Heads market data and key indicators encapsulates aggregate property market conditions within the postcodes of 4220 and 4221.

** Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.

2022 encapsulates sales transactions for 1H 2022 (01/01/2022 – 30/06/2022) only.

€ Annual rental growth is a comparison between 1H 2021 (01/01/2021 – 30/06/2021) and 1H 2022 (01/01/2022 – 30/06/2022) house median rent figures.

¥ Burleigh Heads market data encapsulates aggregate property conditions within the postcode of 4220.

§ Rental yields shown are as reported as of June 2022.

⌘ Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

£ Projects refers to the top developments within the postcodes of 4220 and 4221.

μ Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

ψ Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRD does not hold any liability to the exact date.

Source: APM Pricerfinder, Cordell Connect database, SQM Research, Esri ArcGIS.

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